

PUBLIC HEARING

MAY 28, 2014

A public hearing of the Council of the County of Kaua'i was called to order by Jay Furfaro, Chair, Committee of the Whole, on Wednesday, May 28, 2014, at 1:49 p.m., at the Council Chambers, 4396 Rice Street, Room 201, Historic County Building, Līhu'e, and the presence of the following was noted:

Honorable Tim Bynum
Honorable Mason K. Chock, Sr.
Honorable Gary L. Hooser
Honorable Ross Kagawa (*present at 1:50 p.m.*)
Honorable Mel Rapozo
Honorable JoAnn A. Yukimura
Honorable Jay Furfaro

The Clerk read the notice of the public hearing on the following:

"Resolution No. 2014-29, Draft1 – RESOLUTION PROPOSING A CHARTER AMENDMENT RELATING TO SETTING GOLF COURSE FEES,"

which was passed on first reading and ordered to print by the Council of the County of Kaua'i on April 23, 2014, and published in The Garden Island newspaper on May 2, 2014.

EDUARDO TOPENIO, JR., Administrative Assistant to the County Clerk:
At this time, Chair, there is no registered speaker nor written testimony as well.

Chair Furfaro: Is there anyone in the audience that wishes to speak on this? Glenn, come right up.

There being no objections, the rules were suspended to take public testimony.

GLENN MICKENS: Thank you, Jay. For the record, Glenn Mickens. Just a question. I know that golf course used to be self-sustaining and it was always considered one of the best in the Country. Now, we are putting, I believe you said, Jay, we are putting one million dollars (\$1,000,000) a year into it to subsidize it. So, it certainly is an Enterprise Fund. I guess my question is will...does anybody know what it is that we were doing before that we are not doing now that is able to make that course what it used to be, and is that why the fees are going to have to be increased, but even by increasing the fees, will that in fact go ahead and increase it enough to be able to make it self-sustaining?

Mr. Kagawa was noted as being present.

Chair Furfaro: First of all, Glenn, I am going to break the Rules to have dialogue on this, but I want to let you know, first of all, the golf course has and is carrying about three hundred thousand dollars (\$300,000) of its own

Bond money. That is actually being reflected in the Profit and Loss Statement for the Enterprise Fund. Where in many opinions the repair of the sprinkler system should never been an operating cost...

Mr. Mickens: Right.

Chair Furfaro: ...because in fact, it adds to the value of the asset.

Mr. Mickens: Yes.

Chair Furfaro: So, that is one thing. So, that probably brings it down to about seven hundred thousand dollars (\$700,000). The other piece that is in front of us right now is allowing us, through this piece, to react quicker to letting the Administration respond to special rates. So, when business is down, we can maintain a certain amount of rates, and hopefully, incrementally pick up some revenue.

Mr. Mickens: And that will bring it back to a self-sustaining...

Chair Furfaro: I would not say that.

Mr. Mickens: Okay.

Chair Furfaro: I do not necessarily believe. Golf across the Nation is dropping at the rate of one and a quarter percent (1.25%) of rounds every year.

Mr. Mickens: Okay.

Chair Furfaro: That is golf.

Mr. Mickens: Right, right.

Chair Furfaro: Mr. Kagawa, you had something for Mr. Mickens?

Mr. Kagawa: No, I just want a point of order. I want to stick to the process that we have for public hearings because there is a lot I want to say right now, but I do not want us to keep bending the Rules on what we do. Surely, I think all of the Councilmembers would like to speak at times during public hearings, but let us, if we can please stick to the Rules, please. Thank you.

Chair Furfaro: Okay.

Mr. Mickens: Well, I certainly appreciate your information, Jay. Thank you.

Chair Furfaro: Look, I stuck to the Rules many, many times.

Mr. Mickens: Right.

Chair Furfaro: And I just want to say, I answered your question.

Mr. Mickens: Yes.

Chair Furfaro: Those are questions you can ask me offline.

Mr. Mickens: Right. Thank you.

Ms. Yukimura: May I?

Chair Furfaro: Yes.

Ms. Yukimura: I have one (1) question for Mr. Mickens. Just so we clear up...I do not want a misunderstanding to continue. Are you clear that this Charter amendment is not to raise fees, but could raise or lower fees? It is to give the flexibility to do that at the proper time.

Mr. Mickens: Yes, I understand that, but...

Ms. Yukimura: You understand that?

Mr. Mickens: Yes, but if...

Ms. Yukimura: Thank you.

Mr. Mickens: If we lower them, we are going to go deeper in debt. If we raise them, we have a chance to move it out.

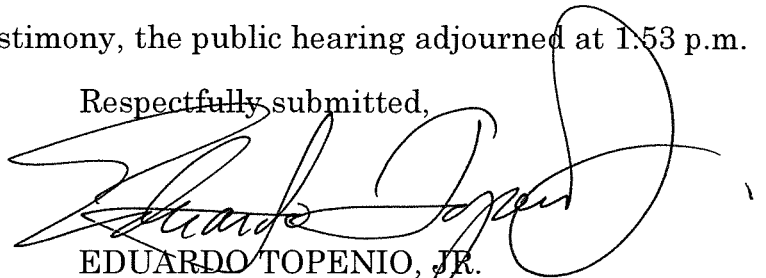
Chair Furfaro: Glenn, I will meet you offline.

Mr. Mickens: Okay.

Chair Furfaro: It has been pointed out to follow the Rules during public hearing, but I will be glad to meet with you separately. Any more testimony?

There being no further testimony, the public hearing adjourned at 1:53 p.m.

Respectfully submitted,



EDUARDO TOPENIO, JR.
Administrative Assistant to the County Clerk

